

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of:)	
)	
Review of the Section 251 Unbundling)	
Obligations of Incumbent Local Exchange)	CC Docket No. 01-338
Carriers)	
)	
Implementation of the Local Competition)	
Provisions of the Telecommunications Act of)	CC Docket No. 96-98
1996)	
)	
Deployment of Wireline Services Offering)	CC Docket No. 98-147
Advanced Telecommunications Capability)	

AFFIDAVIT OF GARTH MORRISETTE

1. I, Garth Morrisette, certify that the following is my true testimony. I am the Director of Regulatory Affairs for Eschelon Telecom, Inc ("Eschelon").

2. The purpose of my affidavit is to compare the TELRIC based UNE rates Qwest charges Eschelon for unbundled switching (UBS) to Qwest's proposed "market" rates for unbundled switching in the 14 exempt Qwest wire centers located within the FCC-specified Metropolitan Statistical Area (MSA) have been identified in the Qwest Territory.

3. I obtained information on how Qwest defines "market" based rates for UBS and the wire centers subject to the exemption on Qwest's Wholesale website. (See <http://www.qwest.com/wholesale/pcat/unep.html>). Specifically, with respect to the pricing and availability of UBS in the exempt wire centers, Qwest's Website states:

UNE-P products are available in Qwest Wire Centers where technically feasible. Qwest is allowed to charge market-based rates for UBS and the UBS element of UNE-P service when your end-users exceed three access lines in certain exempt wire centers as defined in the FCC's UNE Remand Order. See following table for MSA Exempt Wire Centers.

In the exempt wire centers, you may order UBS or UNE-P for your end-users with three access lines or fewer at UNE rates. When an end-user exceeds three or more UBS or UNE-P access lines, market-based rates will apply to the UBS service or the UBS element of all four or more UNE-P lines. The UBS product and the UBS element of UNE-P service includes the port, Local Switching Originating MOU, and vertical switch features. For UNE-P, charges for the loop and shared transport will remain at UNE rates.

For UNE-P services, application of market-based rates will be calculated using the number of voice grade service equivalents you order for your individual end-user. Each UNE-P POTS, UNE-P PAL, UNE-P ISDN BRI, UNE-P Centrex 21, or UNE-P PBX analog trunk combination counts as one dial-tone access line. Your end-user is defined by listed name within each exempt wire center. For purposes of determining the exclusion, an 'end-user' by such definition might have access lines at more than one service or listed address within the excluded wire center, all of which would be counted for purposes of determining the number of access lines.

Currently Qwest is billing UNE rates regardless of the market-based rate exemption. When Qwest's systems are capable of allowing identification and billing of market-based rates, you will be notified of the pending billing change by Product Announcement and Change Management Process (CMP) channels.

Fourteen Density Zone 1 Wire Centers located within the FCC-specified Metropolitan Statistical Area (MSA) have been identified in the Qwest Territory:

Qwest MSA Exempt Wire Centers	
MSA	CLLI
Denver, CO	DNVRCOCH
	DNVRCOCP
	DNVRCODC
	DNVRCOMA
	DNVRCONO
Minneapolis/St. Paul, MN	MPLSMNDT
	STPLMNBE
	STPLMNMK
Phoenix, AZ	PHNXAZMA
	PHNXAZNO
Portland, OR	PTLDOR69

Salt Lake City, UT	SLKCUTMA
Seattle, WA	STTLWA06
	STTLWAEL

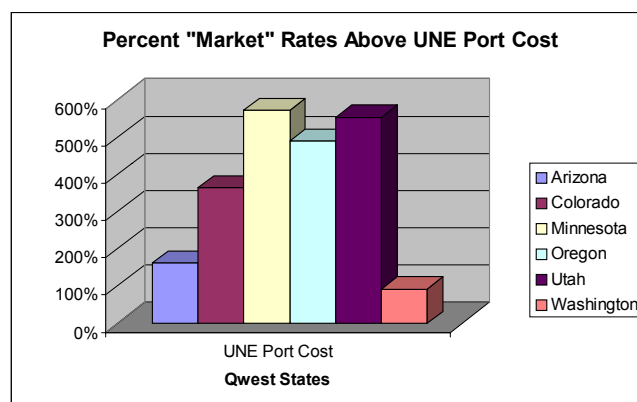
4. I obtained the prices Qwest charges for UBS in non-exempt wire centers and the "market" prices Qwest proposes to charge in the exempt wire centers in Qwest's SGAT (Statements of Generally Available Terms and Conditions for Interconnection), which is posted on Qwest's website at: <http://www.qwest.com/about/policy/sgats/> . Prices are set out in Appendix A of each states' respective SGAT.

5. I then compared the SGAT UNE prices for UBS to the SGAT "Market" prices for UBS for the following UBS elements in the six Qwest states where Eschelon operates: UBS Port, Local Switching Originating MOU, and vertical switch features.

6. With respect to the UBS Port comparison, I found that Qwest's proposed "Market" prices for the UBS Port exceeded the UBS UNE Port cost by 93% in the state of Washington to 572% in the state of Minnesota. (See Table 1)

TABLE 1: COMPARISON OF UBS COST TO "MARKET" PRICES

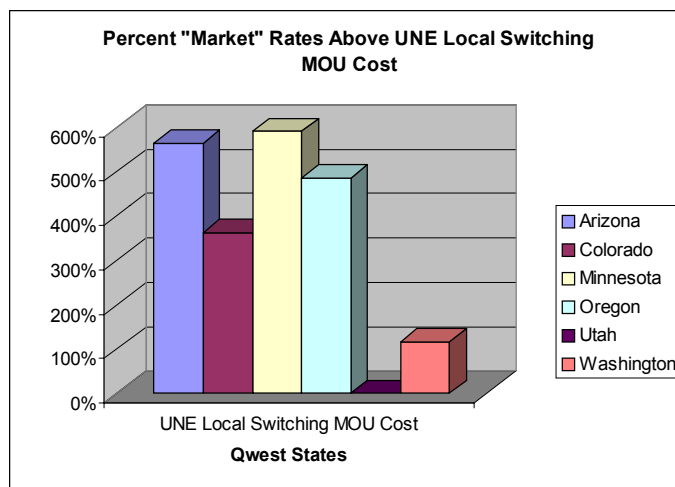
	Arizona	Colorado	Minnesota	Oregon	Utah	Washington
UNE Port Cost	\$ 1.61	\$ 1.15	\$ 1.08	\$ 1.14	\$ 0.90	\$ 1.34
Market Based Port Cost	\$ 4.21	\$ 5.33	\$ 7.26	\$ 6.71	\$ 5.88	\$ 2.58
% Market Above UNE Cost	161%	363%	572%	489%	553%	93%



7. With respect to the UBS Local Switching Originating MOU comparison, I found that Qwest's proposed "Market" prices for local switching MOU exceeded the UBS UNE local switching MOU cost by 117% in the state of Washington to 591% in the state of Minnesota. (See Table 2).

TABLE 2: COMPARISON OF LOCAL SWITCHING MOU COST TO "MARKET" PRICES

	Arizona	Colorado	Minnesota	Oregon	Utah	Washington
UNE Local Switching MOU Cost	0.0028	0.00283	\$0.0018	\$0.0013	\$0.0023	\$0.0012
"Market" UNE Switching MOU	0.0186	0.0131	\$0.0125	\$0.0078	*	\$0.0026
% "Market" Above Cost	564%	363%	591%	486%	*	117%



*Utah rates under development

8. With respect to the UBS feature comparison, I found that Qwest is proposing to establish a la carte feature prices for a list of vertical features in Arizona, Minnesota, and Washington. Currently in those states, Eschelon is able to obtain all vertical switching features as part of the UBS port charge. Thus, Eschelon does not pay any additional feature costs in Arizona, Minnesota and Washington. In Colorado, Oregon, and Utah, Qwest has feature prices for UNE

vertical features approved by the state Commission in those states. To compare Qwest's proposed "Market" prices for UBS vertical features to the UNE prices for UBS vertical features, I looked at the lines Eschelon serves in the exempt wire centers to identify the specific features Eschelon would expect to purchase from Qwest at "Market" rates. I then calculated the additional amount Eschelon would pay for obtaining those features at "Market" prices over and above what we currently pay based on UNE prices. Based on my calculations, I found that Qwest's proposed "Market" prices for features exceeded the UBS UNE feature cost by 67% in the state of Oregon to 2753% in the state of Arizona. (See Table 3).

TABLE 3: COMPARISON OF UBS FEATURE COST TO "MARKET" PRICES

	Arizona	Colorado	Minnesota	Oregon	Utah	Washington
Port Plus Feature Cost	\$1.61	\$3.22*	\$1.08	\$4.14*	\$2.86*	\$1.34
Avg "Market" \$ Feature Per Line**	\$44.32	\$3.14	\$7.76	\$2.78	\$2.15	\$8.19
% "Market" Above Cost	2753%	98%	719%	67%	75%	611%

*calculated based on Eschelon feature counts in exempt wire centers. **Line counts based on Eschelon lines served in exempt wire centers.

9. The comparison of Qwest's TELRIC-based UNE pricing for local switching to Qwest's proposed "market" prices is evidence that there is not a competitive market in Qwest's 14 exempt wire centers for local switching. As I show above, the "market-based" prices proposed by Qwest are significantly greater than the TELRIC rates established by state Commissions in Qwest state cost proceedings.¹ Because TELRIC prices for local switching are based on the forward-looking costs of an efficient provider of telecommunications services, and because we expect market forces to drive prices to cost, we would expect "market" prices to approximate TELRIC costs. Based on my analysis, given that Qwest's proposed "market" exceed costs so significantly compared to TELRIC-based UNE pricing for switching, I conclude that there is no evidence that a

¹ While there are differences in rate design approved by state commissions for unbundled switching features (i.e., a la carte feature pricing vs. flat rate feature pricing), the TELRIC costing methodology and resulting UNE prices for switching features does not vary with any degree of significance to alter the comparison of Qwest's proposed "market" prices to TELRIC-based prices.

competitive market exists for local switching in Qwest's 14 exempt wire centers sufficient to drive Qwest's "market" prices to cost. Otherwise, one would expect "market" prices much more aligned with cost.

FURTHER AFFIANT SAYETH NOT.

Dated this 4th day of April 2002.

/s/ Garth Morrisette
Garth Morrisette

Subscribed and sworn to before me
this 4th day of April, 2002.

/s/ Douglas L. Strand
Notary Public
My Commission Expires: January 31, 2005